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IMPACT OF PSYCHOLOGICAL AND SOCIAL CAPITAL ON INNOVATIVE PERFORMANCE OF EMPLOYEES: A STUDY OF TEXTILE INDUSTRY IN HARYANA

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ABSTRACT
The textile industry plays an important role in the economic development of Haryana by providing employment and contributing to industrial growth. In the present competitive environment, innovation has become essential for organizational success. Employees' innovative performance is influenced not only by technical skills but also by psychological and social factors. Psychological capital includes hope, optimism, resilience, and self-efficacy, while social capital refers to relationships, trust, and networking within organizations.

The present study examines the impact of psychological capital and social capital on the innovative performance of employees working in textile industries of Haryana. Primary data were collected from 150 employees working in different textile units using structured questionnaires. Secondary data were obtained from research journals, books, reports, and websites. Statistical tools such as percentage analysis, mean scores, and correlation analysis were used for interpretation.

The findings indicate that psychological capital and social capital significantly influence innovative performance. Employees with higher confidence, optimism, and strong workplace relationships tend to show better innovative behavior. The study suggests that textile organizations should develop training programs to enhance psychological strength and promote teamwork and communication.

Keywords: Psychological Capital, Social Capital, Innovative Performance, Textile Industry, Haryana, Employee Behaviour

1. INTRODUCTION
The textile industry is one of the most important sectors of the Indian economy and has contributed significantly to industrial development, employment generation, and export earnings. It is considered one of the largest employment-generating industries after agriculture. The textile sector provides livelihood opportunities to millions of workers, particularly in semi-urban and rural areas. The state of Haryana has emerged as an important textile manufacturing centre in North India, especially in cities such as Panipat, Sonipat, Hisar, and Faridabad. Panipat is often known as the "City of Weavers" due to its large concentration of textile units engaged in the production of carpets, blankets, handloom products, and home furnishing materials. The rapid industrial growth in Haryana has created the need for improved productivity and innovation among employees working in textile industries.

In the present era of globalization and technological advancement, organizations face intense competition at national and international levels. Textile industries are required to adopt new technologies, improve production processes, and introduce innovative products to remain competitive. Innovation has become a key factor in determining the success and sustainability of organizations. Organizations that continuously innovate are able to improve efficiency, reduce costs, and satisfy changing customer demands. In this context, employees play a crucial role in generating innovative ideas and implementing improvements in the workplace.

Innovative performance of employees refers to the ability of employees to introduce new ideas, improve existing work methods, and adopt creative approaches to solve organizational problems. Innovative employees actively participate in suggesting improvements in production techniques, product design, and operational processes. Innovative performance is not limited to research and development departments but is also important at the operational level where workers contribute to process improvements and quality enhancement. Therefore, understanding the factors that influence innovative performance of employees has become an important area of research in management studies.

Traditional management theories emphasized physical resources, technology, and financial capital as major sources of organizational success. However, modern management approaches recognize that human resources are the most valuable assets of an organization. The knowledge, skills, attitudes, and psychological characteristics of employees significantly influence organizational performance. In recent years, researchers have focused on psychological and social factors that contribute to employee effectiveness and innovation.

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Psychological capital is a relatively new concept in organizational behaviour that refers to the positive psychological state of employees. It includes four major components: self-efficacy, hope, optimism, and resilience. Self-efficacy refers to the confidence of employees in their ability to successfully perform tasks and achieve goals. Employees with high self-efficacy are more willing to accept challenging tasks and experiment with new methods. Hope refers to the determination of employees to achieve goals and find alternative ways to overcome obstacles. Optimism refers to a positive outlook towards future success and favourable outcomes. Resilience refers to the ability of employees to recover from difficulties and adapt to changing situations. Employees with strong psychological capital tend to remain motivated and perform effectively even under stressful conditions.

Psychological capital has gained importance because organizations today require employees who are confident, adaptable, and willing to learn new skills. Textile industries often involve repetitive work and strict production schedules, which can create stress and reduce motivation. Employees with strong psychological capital are better able to handle work pressure and maintain positive attitudes. Such employees are more likely to participate in innovation activities and contribute to organizational development.

Another important factor influencing innovative performance is social capital. Social capital refers to the network of relationships among employees that facilitate cooperation and exchange of information. It includes elements such as trust, communication, teamwork, and mutual support among employees. When employees maintain good interpersonal relationships, they are more willing to share knowledge and assist each other in solving work-related problems. Social capital promotes a supportive work environment where employees feel comfortable expressing new ideas and suggestions.

In organizations where social relationships are strong, employees are able to collaborate effectively and develop innovative solutions. Trust among employees and management encourages open communication and reduces fear of failure. Employees who feel supported by their colleagues and supervisors are more likely to experiment with new ideas and adopt innovative practices. Therefore, social capital plays an important role in enhancing innovative performance.

The textile industry in Haryana consists of both organized and unorganized units with employees belonging to different educational and socio-economic backgrounds. Many employees in textile units are skilled workers who have gained experience through practical training rather than formal education. In such environments, psychological strength and social relationships become particularly important for improving performance and innovation. Employees who have confidence in their abilities and maintain good relationships with coworkers are better able to adapt to technological changes and improve work processes.

Although several studies have examined psychological capital and social capital separately, limited research has focused on their combined impact on innovative performance, particularly in the textile sector of Haryana. Most previous studies have been conducted in service industries or large manufacturing organizations. Textile industries have unique working conditions such as labour-intensive production, shift work, and close teamwork, which make psychological and social factors highly relevant.

The present study attempts to fill this research gap by examining the impact of psychological capital and social capital on innovative performance of employees working in textile industries of Haryana. The study aims to understand how psychological characteristics and social relationships influence the innovative behaviour of employees. It also seeks to identify the extent to which these factors contribute to improved performance in textile organizations.

The findings of the study are expected to be useful for managers and policy makers in textile industries. By understanding the role of psychological and social capital, organizations can design appropriate training programs and management practices to improve innovative performance. The study will also contribute to academic literature by providing empirical evidence from textile industries in Haryana.

Thus, the present research focuses on the relationship between psychological capital, social capital, and innovative performance of employees in textile industries. The study emphasizes that development of human resources through psychological strength and social cooperation is essential for achieving sustainable industrial growth and competitiveness in the textile sector.

2. REVIEW OF LITERATURE

- **Luthans (2007)** explained that psychological capital improves employee productivity and performance through positive psychological development.

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- **Bandura (1997)** emphasized that self-efficacy plays an important role in improving work performance and innovation.
- **Coleman (1988)** highlighted that social relationships help in improving cooperation and knowledge sharing within organizations.
- **Putnam (1995)** suggested that social capital enhances trust and collective action which contribute to organizational effectiveness.
- **Nahapiet and Ghoshal (1998)** concluded that social networks facilitate knowledge exchange and innovation.
- **Avey et al. (2011)** found a positive relationship between psychological capital and employee performance.
- **Janssen (2000)** reported that innovative work behaviour depends on employee motivation and support from the organization.
- **Zhou and George (2001)** found that supportive relationships enhance creative performance of employees.
- **Adler and Kwon (2002)** concluded that social capital improves organizational competitiveness.
- **Rego et al. (2012)** observed that optimistic employees show higher innovation performance.
- **Gupta and Singh (2014)** found that employee motivation influences innovation in manufacturing industries.
- **Kumar (2018)** studied textile industries in North India and found that training improves innovative behaviour.
- **Sharma (2020)** reported that psychological strength improves employee adaptability.
- **Yadav (2022**) found that teamwork enhances innovative performance in small industries.

3. OBJECTIVES OF THE STUDY

- To study the level of psychological capital among employees in textile industries of Haryana.
- To examine the level of social capital among employees.
- To analyze the innovative performance of employees.
- To examine the relationship between psychological capital and innovative performance.
- To examine the relationship between social capital and innovative performance.

4. RESEARCH METHODOLOGY

4.1 Data Collection

Primary Data

- Structured questionnaire
- Personal interaction with employees

Secondary Data

- Books
- Research journals
- Websites
- Reports
- Thesis and dissertations

4.2 Sample Size

- 150 employees from textile industries in Haryana.

4.3 Research Design

- Descriptive and analytical research design.

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4.4 Sampling Technique and Data Analysis Techniques

Sampling Technique

- Convenience Sampling

Data Analysis Techniques

- Percentage analysis
- Mean score
- Correlation analysis
- Ranking method

4.5 Target Population

- Employees working in textile industries of Haryana (Panipat, Sonipat, Hisar).

4.6 Variables Used in the Study

4.6.1 Independent Variables

a. Psychological Capital

- Hope
- Self-efficacy
- Resilience
- Optimism

b. Social Capital

- Trust
- Networking
- Cooperation

4.6.2 Dependent Variable

- Innovative Performance

4.7 Hypothesis of the Study

H1: Psychological capital has significant impact on innovative performance.

H2: Social capital has significant impact on innovative performance.

H3: Psychological capital is positively related to innovative performance.

H4: Social capital is positively related to innovative performance.

H5: Psychological capital and social capital jointly influence innovative performance.

5. ANALYSIS AND INTERPRETATION OF DATA

The present study is based on primary data collected from 150 employees working in textile industries of Haryana. The data were analyzed using percentage analysis, mean scores and correlation analysis. The analysis has been done according to the objectives and hypotheses of the study.

Table 1: Demographic Profile of Respondents (Gender)

Gender	No. of Respondents	Percentage
Male	95	63.3
Female	55	36.7
Total	**150**	**100**

Interpretation: Table 1 shows the gender distribution of respondents working in textile industries of Haryana. Out of 150 respondents, 95 employees (63.3%) are male and 55 employees (36.7%) are female. The data indicate that male employees constitute the majority workforce in textile industries. However, the participation of female employees is also significant.

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Table 2: Age Distribution of Respondents

Age Group	Respondents	Percentage
20–30 Years	40	26.7
30–40 Years	65	43.3
40–50 Years	30	20
Above 50	15	10
Total	**150**	**100**

Interpretation: Table 2 shows that the majority of employees (43.3%) belong to the age group of 30–40 years, followed by 26.7% in the 20–30 age group. Only 10% employees are above 50 years. This indicates that textile industries have a relatively young and active workforce which is more capable of adopting innovative practices.

Table 3: Educational Qualification

Qualification	Respondents	Percentage
10+2	35	23.3
Graduate	60	40
Postgraduate	40	26.7
Others	15	10
Total	**150**	**100**

Interpretation: Table 3 indicates that 40% respondents are graduates, which represents the largest group. 26.7% employees are postgraduates, while 23.3% have completed 10+2 education. This shows that most employees possess adequate educational qualifications which can support innovative activities.

Objective 1 : To Study Psychological Capital of Employees

Table 4: Self-Efficacy Level of Employees

Level	Respondents	Percentage
High	60	40
Medium	65	43.3
Low	25	16.7
Total	**150**	**100**

Interpretation: Table 4 shows that 43.3% employees have medium level self-efficacy, while 40% employees have high self-efficacy. Only 16.7% employees fall under low self-efficacy category. This indicates that most employees have confidence in their abilities which positively contributes to innovative performance.

Table 5: Optimism Level

Level	Respondents	Percentage
High	55	36.7
Medium	70	46.7
Low	25	16.6
Total	**150**	**100**

Interpretation: Table 5 indicates that 46.7% employees have medium level optimism, while 36.7% employees show high optimism. Only 16.6% employees have low optimism. This suggests that employees generally maintain a positive outlook towards their work and future growth.

Table 6: Hope Level

Level	Respondents	Percentage
High	50	33.3
Medium	70	46.7
Low	30	20
Total	**150**	**100**

Interpretation: Table 6 shows that 46.7% employees have moderate level hope, while 33.3% employees have high hope levels. This indicates that most employees remain motivated to achieve work-related goals.

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Table 7: Resilience Level

Level	Respondents	Percentage
High	58	38.7
Medium	60	40
Low	32	21.3
Total	**150**	**100**

Interpretation: Table 7 shows that 40% employees have medium resilience, while 38.7% employees have high resilience. This indicates that employees are capable of handling work stress and adapting to changing work conditions.

Objective 2: To Study Social Capital of Employees

Table 8: Trust among Employees

Level	Respondents	Percentage
High	62	41.3
Medium	63	42
Low	25	16.7
Total	**150**	**100**

Interpretation: Table 8 indicates that 42% employees report medium level trust, while 41.3% employees report high trust levels. This shows that trust exists among employees which supports cooperation and knowledge sharing.

Table 9: Networking among Employees

Level	Respondents	Percentage
Strong	55	36.7
Moderate	70	46.7
Weak	25	16.6
Total	**150**	**100**

Interpretation: Table 9 shows that 46.7% employees have moderate networking, while 36.7% employees have strong networking relationships. This indicates that employees maintain regular interaction with coworkers.

Table 10: Cooperation Level

Level	Respondents	Percentage
High	68	45.3
Medium	57	38
Low	25	16.7
Total	**150**	**100**

Interpretation: Table 10 indicates that 45.3% employees have high cooperation level, which shows that teamwork is common in textile industries.

Objective 3: To Study Innovative Performance

Table 11: Innovative Performance Level

Level	Respondents	Percentage
High	60	40
Medium	65	43.3
Low	25	16.7
Total	**150**	**100**

Interpretation: Table 11 shows that 43.3% employees have medium innovative performance, while 40% employees have high innovative performance. This indicates that innovative behaviour exists among employees but still needs improvement.

Table 12: Relationship between Psychological Capital and Innovative Performance

Psychological Capital	High Innovation	Medium	Low
High	40	15	5
Medium	15	40	10
Low	5	10	10

Interpretation: Table 12 indicates that employees with high psychological capital show higher innovative performance compared to employees with low psychological capital. Therefore, psychological capital has a positive impact on innovative performance. Hypothesis **H1** Accepted.

Table 13: Relationship between Social Capital and Innovative Performance

Social Capital	High Innovation	Medium	Low
High	42	15	5
Medium	13	45	12
Low	5	5	8

Interpretation: Table 13 shows that employees with high social capital demonstrate higher innovative performance. Employees with weak social capital show lower innovative performance. Hypothesis **H2** Accepted.

Table 14: Correlation Analysis

Variables	Correlation Value
Psychological Capital vs Innovation	0.68
Social Capital vs Innovation	0.71

Interpretation: Table 14 shows that psychological capital and innovative performance have a strong positive correlation (0.68). Social capital and innovative performance also show a strong positive correlation (0.71).

This indicates that both psychological and social capital significantly influence innovative performance.

Table 15: Mean Score Analysis

Variables	Mean Score
Psychological Capital	3.9
Social Capital	4.1
Innovative Performance	3.8

Interpretation: Table 15 shows that social capital has the highest mean score (4.1), followed by psychological capital (3.9) and innovative performance (3.8). This indicates that social relationships play a strong role in improving innovation.

Table 16: Combined Effect of Psychological and Social Capital

Level	Respondents	Percentage
High Combined Effect	65	43.3
Medium Combined Effect	60	40
Low Combined Effect	25	16.7

Interpretation: Table 16 indicates that 43.3% employees show high combined effect of psychological and social capital on innovation. This confirms that both factors together improve innovative performance.

6. MAIN FINDINGS AND SUGGESTIONS

6.1 Main Findings

The present study examined the impact of psychological capital and social capital on innovative performance of employees working in textile industries of Haryana. The findings are based on the analysis and interpretation of data collected from 150 respondents.

1. The study revealed that 63.3% respondents were male, while 36.7% were female, indicating that the textile industry workforce is male dominated.
2. Most respondents (43.3%) belonged to the age group of 30–40 years, which indicates that the textile industry mainly consists of young and middle-aged employees who are capable of adopting innovative practices.
3. A majority of respondents (40%) were graduates, while 26.7% were postgraduates, which shows that employees have adequate educational qualifications to support innovative performance.
4. The study found that a large number of employees (43.3%) had medium level self-efficacy, while 40% had high self-efficacy, indicating that most employees are confident about their work abilities.
5. It was observed that 46.7% employees showed medium level optimism, which indicates a generally positive attitude toward work and future opportunities.

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6. The findings revealed that 46.7% employees had moderate hope levels, showing that employees remain motivated to achieve their work goals.
7. The study showed that 40% employees possessed moderate resilience, indicating that employees are capable of dealing with work pressure and organizational changes. Overall, the results indicate that employees in textile industries possess moderate to high psychological capital, which supports innovative performance.
8. The study revealed that 42% employees reported moderate trust, while 41.3% employees reported high trust levels, indicating the presence of healthy work relationships.
9. It was found that 46.7% employees had moderate networking relationships, which shows that employees maintain regular interaction with coworkers.
10. The results showed that 45.3% employees had high cooperation levels, which indicates strong teamwork among employees. Overall, the findings indicate that textile industries in Haryana have moderate to strong social capital, which helps in improving innovative performance.
11. The study found that 43.3% employees showed medium innovative performance, while 40% employees showed high innovative performance.
12. This indicates that employees are willing to adopt new ideas and improve work processes but there is still scope for further improvement.
13. The study confirmed that employees with high psychological capital demonstrate higher innovative performance, which supports the hypothesis that psychological capital positively influences innovation.
14. The study also confirmed that employees with strong social capital show higher innovative performance, which supports the hypothesis that social capital positively influences innovation.
15. The correlation analysis showed a strong positive relationship between psychological capital and innovative performance ($r = 0.68$).
16. The correlation analysis also showed a strong positive relationship between social capital and innovative performance ($r = 0.71$).
17. The combined effect analysis revealed that 43.3% employees showed high combined influence of psychological and social capital, indicating that both factors together significantly improve innovative performance.

6.2 Suggestions

On the basis of the findings of the study, the following suggestions are proposed to improve innovative performance of employees in textile industries of Haryana.

1. Textile organizations should organize training programs to improve self-confidence and problem-solving skills of employees.
2. Management should encourage employees to set work goals and participate in decision-making, which will improve hope and motivation.
3. Organizations should provide counselling and stress management programs to improve employee resilience.
4. Positive feedback and recognition should be given to employees in order to develop optimism and confidence.
5. Textile industries should promote teamwork and group activities to strengthen relationships among employees.
6. Management should encourage open communication and idea sharing among employees.
7. Trust between management and employees should be strengthened through fair policies and transparent decision-making.
8. Regular meetings and discussions should be organized to improve employee networking and cooperation.
9. Textile industries should introduce innovation-based reward systems to encourage employees to suggest new ideas.

10. Employees should be provided technical training programs to improve their innovative skills.
11. Management should create a supportive work environment where employees feel free to experiment with new ideas.
12. Employees should be encouraged to participate in problem-solving and process improvement activities.
13. Textile industries should focus on human resource development along with technological development.
14. Organizations should adopt modern management practices to improve employee performance.
15. Psychological and social development programs should be included in regular HR policies.

7. CONCLUSION OF THE STUDY

The present study examined the impact of psychological capital and social capital on the innovative performance of employees working in textile industries of Haryana. In the modern competitive environment, innovation has become essential for organizational growth and sustainability. The textile industry, being one of the major employment-generating sectors in Haryana, requires employees who are capable of adapting to new technologies and improving work processes. Therefore, understanding the psychological and social factors influencing innovative performance is of great importance.

The findings of the study indicate that psychological capital plays a significant role in improving innovative performance of employees. Employees who possess higher levels of self-efficacy, optimism, hope, and resilience are more confident and motivated to adopt innovative work practices. Such employees are better able to handle challenges and contribute new ideas for improving organizational performance. The study clearly shows that psychological strength helps employees to remain positive and productive even in demanding work environments.

The study also highlights the importance of social capital in enhancing innovative performance. Strong interpersonal relationships, trust among employees, cooperation, and effective communication were found to encourage knowledge sharing and teamwork. Employees working in a supportive social environment are more likely to participate in innovative activities and suggest improvements in work processes. Social capital creates an atmosphere where employees feel comfortable sharing ideas without fear of criticism or failure.

The correlation analysis confirmed that both psychological capital and social capital have a positive and significant relationship with innovative performance. The results further indicate that social capital has slightly stronger influence on innovative performance compared to psychological capital. However, the combined effect of psychological and social capital was found to be the most significant factor in improving innovation among employees.

The study concludes that innovative performance in textile industries is not determined only by technical skills and experience but also by psychological and social factors. Organizations that focus on developing psychological strength and social relationships among employees are more likely to achieve higher levels of innovation and productivity.

Therefore, textile industries in Haryana should adopt management practices that enhance both psychological capital and social capital of employees. Training programs, teamwork, effective communication, and employee participation in decision-making can significantly improve innovative performance.

Overall, the study emphasizes that the development of human resources through psychological and social support is essential for achieving long-term growth and competitiveness in the textile industry of Haryana. The results of the study provide useful insights for managers, policy makers, and researchers interested in improving employee innovation and organizational effectiveness.

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